

# **HEALTH SERVICES AND DEVELOPMENT AGENCY MINUTES**

**October 22, 2008**

## **AGENCY MEMBERS PRESENT**

Koella, Carl, III, Chair  
Atchley, Bryan  
Gaither, Keith, designee for the TennCare Director  
Jones, Clark  
Lammert, Gregory  
Morris, John, designee for the Commissioner of Commerce and Insurance  
Weaver, Faye, designee for the Comptroller of the Treasury

## **AGENCY MEMBERS ABSENT**

Handorf, Charles, M.D., Vice Chair  
Caldwell, Gene, M.D.  
Troy, Peggy

## **AGENCY STAFF PRESENT**

Bobbitt, Melissa, Administrative Services Assistant III  
Christoffersen, Jim, Deputy General Counsel  
Craighead, Alecia, Statistical Analyst III  
Farber, Mark, Assistant Executive Director  
Finchum, Rhonda, Office Manager  
Wells, Phil, Health Planner III

## **GUESTS PRESENT**

Anderson, Patricia  
Auvenshine, Donna  
Baker, E. Graham, Esq.  
Baker, Hal, Deputy Director, Orange Grove Centers  
Barham, Stephen, Esq., Chambliss, Bahner & Stophel  
Barnes, Claude, Healthcare Consultant, AlphaCare Nursing, LLC  
Barnes, Yvette  
Batson, Geraldine, R.N., Nurse Consultant, Bordeaux Long Term Care  
Beam, Jason, Regional Director of Operations, Middle Tennessee Ambulatory Surgery Center  
Blair, Ron, President, Surgery Center Services of America  
Brent, Michael D., Esq., Boulton, Cummings, Connors & Berry  
Brooks, Calvin, Clinical Liaison, Kindred Hospital  
Brown, Dere, National HealthCare Corporation  
Bunnell, Bill, Executive Director of Radiology, Memorial Health Care System  
Burks, Donna, Home Care Solutions

Butler, Lionel E., CFO, AlphaCare Nursing, LLC  
Casteel, Marcia, Project Executive, Memorial Health Care System  
Chessor, Jere, Administrator, Middle Tennessee Ambulatory Surgery Center  
Colley, Janie, National HealthCare Corporation  
Collier, Justin, M.D.  
Corritore, Danell, Department of Health  
Cross, Cindy, Life Care Centers  
Cross, Linda, Life Care Centers  
Culp, Joe, Department of Health  
Curtis, Sandra, Executive Director, Strategic Planning, Memorial Health Care System  
Dant, Wally, CEO, SunCrest Home Health  
Davis, Edward, Memorial Health Care System  
Davis, Sybil, Insurance Consultant, AlphaCare Nursing, LLC  
Day, Edwin W., Consultant  
Derryberry, Robin, President, Derryberry Public Relations, LLC  
Duncan, Bruce, National HealthCare Corporation  
Dunne, Mike, Communications Director, Mayor's Office of Hamilton County  
Ehrat, Michael, COO, Skyline Medical Center  
Elrod, Dan H., Esq., Miller & Martin  
Ferraro, S., Bass, Berry & Sims  
Frewin, Kathleen, R.N., Administrator, AlphaCare Nursing, LLC  
Frisco, Sherry, Memorial Health Care System  
Garfield, Mike, CEO, Skyline Medical Center  
Gooch, Warren, Esq., Kramer Rayson, LLP  
Grant, Susan, United Surgical Partners, Inc.  
Gregory, Roger  
Guinness, Cassandra, Nurse Consultant, AlphaCare Nursing, LLC  
Harkness, Eric, Planning & Research Coordinator, Division of Health Planning, Finance & Administration  
Harris, Jenifer P., COO, AlphaCare Nursing, LLC  
Harrison, Johnny, Administration Director-Rehabilitation Services, Skyline Medical Center  
Hauther, Kyle, Orange Grove Centers  
Hnaserd, William  
Hotshouser, Sandra  
Houchin, Barbara, Executive Director of Planning, St. Thomas Health Services  
Hudson, Angela  
Kilpatrick, Sue, Administrator, Plaza Radiology, LLC  
Knuutila, Barb, Consultant  
Loftis, Nancy, Clinical Director-Rehabilitation Services, Skyline Medical Center  
Looney, Kim Harvey, Esq., Waller, Lansden, Dortch & Davis  
Lucchesi, Jane, Strategic Planning Project Manager, Memorial Health Care System  
Marston, J. Ed, Vice President, Marketing & Communications, Chattanooga Area Chamber of Commerce  
McCabe, Craig, M.D.  
McCormick, Honorable Gerald, State Representative  
McGill, Andrew, Vice President, Business Development, Memorial Health Care System  
McLean, Brent, Memorial Health Care System  
Merville, LaDonna, Hospital Alliance of Tennessee  
Metegar, Hannan, Baker, Donelson  
Mills, Don, President, Diagnostic Imaging Consultants, Inc.  
Oglivie, Vielka, LMSW, Meharry Metro General Hospital  
Orquia, C. Michael, M.D., Lakeside Medical Center  
Owens, Pam, Director, HomeCare Clinical Services, National HealthCare Corporation  
Penny, Linda, Comptroller's Office

HEALTH SERVICES AND DEVELOPMENT AGENCY

OCTOBER 22, 2008 MEETING

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Revelette, Curt  
Richardson, Ryan, HCA TriStar  
Ridgeway, Corey, United Surgical Partners, Inc.  
Rolfe, Billy, Vice President, United Surgical Partners, Inc.  
Russell, RF, THCA  
Samuels, Larry, M.D.  
Santos, Leilani, Social Services/HR Director, Good Samaritan Rehab Center  
Serro, Robert, M.D.  
Sferrella, Sheila M., Vice President, Ambulatory/Imaging Services, St. Thomas Health Services  
Simpson, Ryan, Vice President of Operations, Middle Tennessee Medical Center  
Sims, Martin, M.D., President, Plaza Radiology, LLC  
Stephenson, Kate, Esq., Trauger & Tuke  
Taylor, Jerry W., Esq., Farris, Mathews, Branan, Bobango, Hellen & Dunlap, PLC  
Thompson, Ann R., RN, BSN, MBA, Director of Licensure, Department of Health  
Trauger, Byron R., Esq., Trauger & Tuke  
Vaughan, Connie, Assistant to President, McKee Foods Corporation  
Weaver, Doug, Sumner Homecare & Hospice  
Wellborn, John L., Consultant, Development Support Group  
Witt, Beverly, Program Director, Orange Grove Centers  
Wroblewski, Sister Eileen, CSC, Senior Vice President, Mission Integration

**Chairman Koella, called the meeting to order at 8:30 a.m. in Meeting Room 12, of The Legislative Plaza, Nashville, Tennessee.**

### **DIRECTOR'S ANNOUNCEMENTS**

Mark Farber, Assistant Executive Director, made general announcements and stated that due to the thirty-five (35) applications to potentially be heard in January, consideration may be given to split the applications into a two day meeting or other arrangements will be discussed. Mr. Farber announced that the November 19<sup>th</sup> and December 17<sup>th</sup> Agency meetings will be held in Room 29 of the Legislative Plaza.

### **OTHER BUSINESS**

- 1) State Health Plan – Eric Harkness, State Health Planning Division, Department of Finance & Administration provided an update about the status of development of the state health plan.

### **CONSENT CALENDAR**

*Mark Farber summarized the following Consent Calendar application:*

#### **Skyline Medical Center - (Nashville, Davidson County) - Project No. CN0808-062**

The addition of ten (10) rehabilitation (rehab) beds to the bed complement at its main campus. Ten (10) rehab beds will be reduced at the Madison campus. The ten (10) additional rehab beds at the main hospital will be housed in existing space on the hospital's second floor. This transfer of beds will increase the main campus from thirty-one (31) to forty-one (41) and reduce the rehab beds at the Madison campus from thirty-two (32) to twenty-two (22). This project increases the Main campus beds to 213 and reduces the Madison campus beds to 245 with no change in Skyline's total 458 licensed beds of which 63 are rehab beds. The project does not include any major medical equipment or initiate or discontinue any new service. Project Cost \$297,052.00.

Jerry W. Taylor, Esq., representing the applicant, was present to address the Agency. Present on behalf of the project were: Mike Garfield, CEO; Michael Ehrat, COO; Johnny Harrison, Administration Director-Rehabilitation

Services; Robert Serro, M.D.; Justin Collier, M.D.; Nancy Loftis, Clinical Director-Rehabilitation Services; and Ryan Richardson, HCA TriStar.

Mr. Atchley moved for approval of the project based on: 1) The need has been established due to increased utilization at the main campus, closure of services at the Centennial Medical Center, and the suspension of services at the satellite campus; 2) Economic Feasibility – The project is economically feasible by cash reserves and the current program operates with the positive financial margin as will the proposed project; and 3) The project does contribute to the orderly development of adequate and effective health care as this is an internal bed transfer from the satellite facility to the parent facility which does not increase the total bed complement in the county but redistributes them to where they will be better utilized. There should be no disruption to patients as there is only a distance of five (5) miles or ten (10) minutes from the current location and the facility is currently contracted with two (2) TennCare MCOs. Mr. Lammert seconded the motion. The motion CARRIED [7-0-0]. **APPROVED**

AYE: Morris, Lammert, Atchley, Weaver, Gaither, Jones, Koella  
NAY: None

### **CERTIFICATE OF NEED APPLICATIONS**

*Mark Farber summarized the following CON applications:*

*Mr. Lammert recused*

#### **AlphaCare Nursing, LLC - (Antioch, Davidson County) - Project No. CN0805-032**

The establishment of a home health organization to provide home health services which include skilled nursing, rehabilitation and social services. The proposed service area includes Cheatham, Davidson, Dickson, Montgomery, Robertson, Rutherford, Sumner and Williamson Counties. Project Cost \$33,980.00.

Claude Barnes, Healthcare Consultant, and Jenifer P. Harris, COO, addressed the Agency on behalf of the project. Present were: Lionel E. Butler, CFO; Kathleen Frewin, R.N., Administrator; Calvin Brooks, Clinical Liaison, Kindred Hospital; Sybil Davis, Insurance Consultant; Vielka Oglivie, LMSW, Meharry Metro General Hospital; Leilani Santos, Social Services/HR Director, Good Samaritan Rehab Center; William Hnaserd; Roger Gregory; Cassandra Guinness, Nurse Consultant; and Geraldine Batson, R.N., Nurse Consultant, Bordeaux Long Term Care.

Speaking in opposition were: Pam Owens, Director, HomeCare Clinical Services, NHC; Wally Dant, CEO, SunCrest Home Health; and Graham Baker, Jr., Esq., representing Friendship Home Health Agency, LLC. Bruce Duncan, Assistant Vice President, NHC was present.

Mr. Barnes rebutted.

Ms. Owens and Mr. Dant summated for the opposition.

Mr. Barnes summated for the applicant.

Mr. Morris moved for denial of the project based on: 1) Need – The need has not been established as stated in the Department of Health's report. Mr. Atchley seconded the motion. The motion CARRIED [6-0-0]. **DENIED**

AYE: Morris, Atchley, Weaver, Gaither, Jones, Koella  
NAY: None

#### **Private Clinic Monterey, Inc. - (Monterey, Putnam County) - Project No. CN0806-036**

The establishment of a non-residential methadone treatment facility to assist opioid addicted patients to abstain from the use of illicit drugs through detoxification, treatment & substance abuse/psychiatric counseling services. It is a private for profit outpatient clinic and will serve the adult population in Putnam and surrounding counties. Project Cost \$970,656.00.

### **WITHDRAWN**

#### **McCabe Eye Surgery Center - (Murfreesboro, Rutherford County) - Project No. CN0807-042**

The establishment of an ambulatory surgical treatment center (ASTC) limited to Ophthalmic procedures in a medical office building with one (1) operating room being constructed at an unaddressed site (Lot 9) in Waterstone Office Park, on the north side of Williams Drive, Murfreesboro (Rutherford County), TN 37129. Project Cost \$2,135,054.00.

Jerry W. Taylor, Esq., representing the applicant, addressed the Agency. Craig McCabe, M.D., and Ron Blair, President, Surgery Center Services of America spoke on behalf of the project. John L. Wellborn, Consultant, was present.

Speaking in opposition were: Warren Gooch, Esq., representing Middle Tennessee Ambulatory Surgery Center; Jason Beam, Regional Director of Operations, Middle Tennessee Ambulatory Surgery Center. Present in opposition were: Jere Chessor, Administrator, Middle Tennessee Ambulatory Surgery Center; Sheila M. Sferrella, VP, Ambulatory/Imaging Services, St. Thomas Health Services; Barbara Houchin, Executive Director of Planning, St. Thomas Health Services; Sandra Hotshouser; Ryan Simpson, VP, Operations, Middle Tennessee Medical Center; and Billy Rolfe, Vice President, United Surgical Partners.

Mr. Taylor and Mr. Blair rebutted.

Mr. Gooch summated for the opposition.

Mr. Taylor summated for the applicant.

Mr. Atchley moved for approval of the project based on: 1) Need – The need has been established with the number of procedures that are performed in the existing surgery centers; 2) Economic Feasibility – The project is economically feasible with financing in place; and 3) The project does contribute to the orderly development of adequate and effective health care with regard to this specialty and the treatment of Dr. McCabe's patients. Mr. Morris seconded the motion. The motion CARRIED [7-0-0]. **APPROVED**

AYE: Morris, Lammert, Atchley, Weaver, Gaither, Jones, Koella

NAY: None

#### **+Memorial Hospital Satellite Imaging Center - (Chattanooga, Hamilton County) - Project No. CN0807-043**

The establishment of a hospital satellite outpatient imaging center, the acquisition of a 1.5 Tesla magnetic resonance imaging (MRI) unit and other diagnostic equipment. MRI services and other imaging services will be transferred to the new facility. The facility will provide a full range of outpatient imaging services including but not limited to MRI. Memorial Hospital plans to relocate imaging services from its existing hospital satellite outpatient imaging center, Memorial Atrium Imaging Center located at 1949 Gunbarrel Road, Chattanooga (Hamilton County), TN to the new facility at 6400 Mountain View Road, Chattanooga (Hamilton County), TN. There are no inpatient beds affected. There is no other major medical equipment involved in this project. No other health care services will be initiated or discontinued as a result of this project. SkyRidge Medical Center, CN0807-052 was filed as simultaneous review to this application. Project Cost \$14,335,485.00.

Dan H. Elrod, Esq., representing the applicant, addressed the Agency. Speaking in support were: Andrew McGill, Vice President, Business Development, Memorial Health Care System and C. Michael Orquia, M.D., Lakeside Medical Center; State Representative Gerald McCormick; Connie Vaughan, Assistant to President, McKee Foods Corporation; Mike Dunne, Communications Director, Mayor's Office of Hamilton County; Jed Marston, Vice President, Marketing & Communications, Chattanooga Area Chamber of Commerce; Jane Lucchesi, Strategic Planning Project Manager, Memorial Health Care System; Bill Bunnell, Executive Director of Radiology, Memorial Health Care System; and Sandra Curtis, Executive Director, Strategic Planning, Memorial Health Care System. Present in support were: Robin Derryberry, President, Derryberry Public Relations, LLC; Don Mills, President, Diagnostic Imaging Consultants, Inc.; Sister Eileen Wroblewski, CSC, Senior Vice President, Mission Integration; and Marcia Casteel, Project Executive, Memorial Health Care System.

Speaking in opposition were: Stephen Barham, Esq., representing Diagnostic Radiology Consultants, P.A.; Larry Samuels, M.D.; Byron Trauger, Esq., representing Plaza Radiology, PLC; and Sue Kilpatrick, Administrator, Plaza Radiology, PLC. Present in opposition were: Dr. Martin Sims, President, Plaza Radiology, PLC; and Kate Stephenson, Esq.

Mr. Elrod rebutted.

Mr. Trauger summated for the opposition.

Mr. Elrod and Dr. Orquia summated for the applicant.

Mr. Atchley moved for approval of the project based on: 1) Need – The need has been established for this particular service based on the potential growth in the area as there will be a possibility of 9,000 more jobs in the area. To make this a complete imaging center the MRI is needed; 2) Economic Feasibility – The project is economically feasible with the history and background of the parent company; and 3) The project does contribute to the orderly development of adequate and effective health care by providing this complete service to this area. Ms. Weaver seconded the motion. The motion CARRIED [4-3-0]. **APPROVED**

AYE: Morris, Atchley, Weaver, Koella

NAY: Lammert, Gaither, Jones

#### **+SkyRidge Medical Center - (Cleveland, Bradley County) - Project No. CN0807-052**

The relocation and upgrading of a magnetic resonance imaging (MRI) scanner from SkyRidge's Westside campus at 2800 Westside Drive to 1060 Peerless Crossing, Cleveland (Bradley County), TN 37312, where it is developing an outpatient diagnostic imaging office of the hospital. No other major medical equipment is involved, and no inpatient beds are affected. Upon approval, the applicant will surrender Certificate of Need No. CN0505-041. This project is intended to be in simultaneous review with Certificate of Need No. CN0807-043, filed by Memorial Healthcare System. Project Cost \$1,099,828.00.

**WITHDRAWN**

#### **Orange Grove Center - (Chattanooga, Hamilton County) - Project No. CN0807-044**

The establishment of a four (4)-bed\* ICF/MR home for four (4) residents who will be referred or transferred from a State of Tennessee Developmental Center. Services will include complete life care support for individuals with mental retardation, appropriate therapies, community integration opportunities and life skills development. The home will be licensed by the Tennessee Department of Mental Health and Developmental Disabilities. Project Cost \$599,000.00. \* These beds will be subject to the 40 bed ICF/MR Bed Pool for 2008-2009.

Hal Baker, Deputy Director, addressed the Agency. Kyle Hauther and Beverly Witt, Program Director, spoke on behalf of the project.

Mr. Jones moved for approval of the project based on: 1) Need – The need is demonstrated for this fragile group; 2) Economic Feasibility – The project is economically feasible based on information received; and 3) The project does contribute to the orderly development of adequate and effective health care in Tennessee. Ms. Weaver seconded the motion. The motion CARRIED [7-0-0]. **APPROVED**

AYE: Morris, Lammert, Atchley, Weaver, Gaither, Jones, Koella  
NAY: None

*Mr. Atchley left meeting*

#### **Orange Grove Center - (Chattanooga, Hamilton County) - Project No. CN0807-045**

The establishment of a four (4)-bed\* ICF/MR home for four (4) residents who will be referred or transferred from a State of Tennessee Developmental Center. Services will include complete life care support for individuals with mental retardation, appropriate therapies, community integration opportunities and life skills development. The home will be licensed by the Tennessee Department of Mental Health and Developmental Disabilities. Project Cost \$599,000.00. \* These beds will be subject to the 40 bed ICF/MR Bed Pool for 2008-2009.

Hal Baker, Deputy Director, addressed the Agency on behalf of the project. Present were Kyle Hauther and Beverly Witt, Program Director.

Mr. Lammert moved for approval of the project based on: 1) Need – The need is evident as the individuals in the current facility will be given the opportunity to move into this less restrictive and more appropriate setting; 2) Economic Feasibility – The project is economically feasible by the real estate lease and foundation grant; and 3) The project does contribute to the orderly development of adequate and effective health care in Tennessee. Ms. Weaver seconded the motion. The motion CARRIED [6-0-0]. **APPROVED**

AYE: Morris, Lammert, Weaver, Gaither, Jones, Koella  
NAY: None

#### **Orange Grove Center - (Soddy Daisy, Hamilton County) - Project No. CN0807-046**

The establishment of a four (4)-bed\* ICF/MR home for four (4) residents who will be relocated from an existing eight (8) person ICF/MR home scheduled to close. Services will include complete life care support for individuals with mental retardation, appropriate therapies, community integration opportunities and life skills development. The home will be licensed by the Tennessee Department of Mental Health and Developmental Disabilities. Project Cost \$599,000.00. \* These beds will not be subject to the 40 bed ICF/MR Bed Pool for 2008-2009.

Hal Baker, Deputy Director, addressed the Agency on behalf of the project. Present were Kyle Hauther and Beverly Witt, Program Director.

Paula McKendree, DMRS, responded to questions from members.

Mr. Lammert moved for approval of the project based on: 1) Need – The need is established to move these individuals to a safer and more appropriate environment; 2) Economic Feasibility – The project is economically feasible through the real estate lease and foundation grant; and 3) The project does contribute to the orderly development of adequate and effective health care in Tennessee. Ms. Weaver seconded the motion. The motion CARRIED [6-0-0]. **APPROVED**

AYE: Morris, Lammert, Weaver, Gaither, Jones, Koella  
NAY: None

**Orange Grove Center - (Soddy Daisy, Hamilton County) - Project No. CN0807-047**

The establishment of a four (4)-bed\* ICF/MR home for four (4) residents who will be relocated from an existing eight (8) person ICF/MR home scheduled to close. Services will include complete life care support for individuals with mental retardation, appropriate therapies, community integration opportunities and life skills development. The home will be licensed by the Tennessee Department of Mental Health and Developmental Disabilities. Project Cost \$599,000.00. \* These beds will not be subject to the 40 bed ICF/MR Bed Pool for 2008-2009.

Hal Baker, Deputy Director, addressed the Agency on behalf of the project. Present were Kyle Hauther and Beverly Witt, Program Director.

Mr. Lammert moved for approval of the project based on: 1) Need – The need has been established to move these individuals to a safer and more appropriate environment; 2) Economic Feasibility – The project is economically feasible by the real estate lease and foundation grant; and 3) The project does contribute to the orderly development of adequate and effective health care for the people in the Hamilton county area. Ms. Weaver seconded the motion. The motion CARRIED [6-0-0]. **APPROVED**

AYE: Morris, Lammert, Weaver, Gaither, Jones, Koella

NAY: None

**Orange Grove Center - (Soddy Daisy, Hamilton County) - Project No. CN0807-048**

The establishment of a four (4)-bed\* ICF/MR home for four (4) residents who will be relocated from an existing eight (8) person ICF/MR home scheduled to close. Services will include complete life care support for individuals with mental retardation, appropriate therapies, community integration opportunities and life skills development. The home will be licensed by the Tennessee Department of Mental Health and Developmental Disabilities. Project Cost \$599,000.00. \* These beds will not be subject to the 40 bed ICF/MR Bed Pool for 2008-2009.

Hal Baker, Deputy Director, addressed the Agency on behalf of the project. Present were Kyle Hauther and Beverly Witt, Program Director.

Mr. Jones moved for approval of the project based on: 1) Need – The need has been established as represented; 2) Economic Feasibility – The project is fiscally responsible with the finances as submitted; and 3) The project does contribute to the orderly development of adequate and effective health care in Tennessee. Ms. Weaver seconded the motion. The motion CARRIED [6-0-0]. **APPROVED**

AYE: Morris, Lammert, Weaver, Gaither, Jones, Koella

NAY: None

**Orange Grove Center - (Soddy Daisy, Hamilton County) - Project No. CN0807-049**

The establishment of a four (4)-bed\* ICF/MR home for four (4) residents who will be relocated from an existing eight (8) person ICF/MR home scheduled to close. Services will include complete life care support for individuals with mental retardation, appropriate therapies, community integration opportunities and life skills development. The home will be licensed by the Tennessee Department of Mental Health and Developmental Disabilities. Project Cost \$599,000.00. \* These beds will not be subject to the 40 bed ICF/MR Bed Pool for 2008-2009.

Hal Baker, Deputy Director, addressed the Agency on behalf of the project. Present were Kyle Hauther and Beverly Witt, Program Director.



Mr. Jones moved for approval of the project based on: 1) Need – The need is established as described for the fragile group of people it will be serving; 2) Economic Feasibility – The project is economically feasible based on the financials submitted; and 3) The project does contribute to the orderly development of adequate and effective health care in Tennessee. Ms. Weaver seconded the motion. The motion CARRIED [6-0-0]. **APPROVED**

AYE: Morris, Lammert, Weaver, Gaither, Jones, Koella  
NAY: None

#### **NHC HealthCare, Tullahoma - (Tullahoma, Coffee County) - Project No. CN0807-050**

The replacement and relocation of the existing licensed fifty-three (53)-bed Nursing Home and the addition of seven (7)\* new Medicare certified nursing home beds for a total of sixty (60) nursing home beds. The facility will relocate from 30 Powers Bridge Road, Manchester (Coffee County), TN to a yet to be addressed site west of Cedar Lane and south of Avenue E, Tullahoma (Coffee County), TN. The project will be part of a continuum of care program which will also offer assisted living units at The Place at Tullahoma. Project Cost \$10,932,543.00. \* These beds are subject to the 2008-2009 Nursing Home Bed Pool.

Dan H. Elrod, Esq., representing the applicant, addressed the Agency. Jaine Colley, Director, The Place @ Tullahoma spoke on behalf of the project. Bruce K. Duncan, Assistant Vice President was present.

Mr. Lammert moved for approval of the project based on: 1) Need – The project will add capacity in Coffee County where there is currently a need; 2) Economic Feasibility – The economical feasibility is met by cash reserves; and 3) The project does contribute to the orderly development of adequate and effective health care by providing Medicare beds in this area. Mr. Jones seconded the motion. The motion CARRIED [6-0-0]. **APPROVED**

AYE: Morris, Lammert, Weaver, Gaither, Jones, Koella  
NAY: None

#### **GENERAL COUNSEL'S REPORT**

*Jim Christoffersen summarized the following request for modification:*

#### **NHC HealthCare, Nashville - (Nashville, Davidson County) - Project No. CN0706-047**

Request for approval to transfer control from NHC HealthCare to Highland Park Medical Investors, LLC, an affiliate of Life Care Centers of America. The relocation of previously approved Certificate of Need (CN0506-046A) for the construction of a replacement facility for a 124 bed nursing home certified for both Medicaid and Medicare participation. The proposed new unaddressed site is located on approximately 15 acres adjacent to and on the northwest side of Highland Park Church at 5710 Knob Road, Nashville (Davidson County), TN 37209.

Dan H. Elrod, Esq., representing the applicant, addressed the Agency.

Mr. Lammert moved for approval to transfer control from NHC HealthCare to Highland Park Medical Investors, LLC, an affiliate of Life Care Centers of America. Mr. Jones seconded the motion. The motion CARRIED [6-0-0]. **APPROVED**

AYE: Morris, Lammert, Weaver, Gaither, Jones, Koella  
NAY: None

### **CONTESTED CASE UPDATE**

Mr. Christoffersen reported no substantial changes in the Contested Cases, and offered to answer any questions about the contested case log.

### **MINUTES**

The minutes of the September 24, 2008, meeting were accepted by unanimous voice vote.

### **ADJOURNMENT**

There being no further business, the meeting adjourned.

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Melanie M. Hill, Executive Director

MMH/mab